



PRESS RELEASE

FOR IMMEDIATE RELEASE
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For Information Contact Public Affairs
HARRIET BERNICK
Telephone: (602) 514-7736
Pager: (602) 356-0004X

CREDIT CARD - IDENTITY THIEVES PLEAD GUILTY

PHOENIX, ARIZONA -- The United States Attorney's Office for the District of Arizona announces that on March 24, 2003, ERNESTO LYLE GALVEZ, DOB 5/2/74, and SHAKIYA HAIRSTON GALVEZ, DOB 2/11/80, both of Phoenix, Arizona, pled guilty to federal felony charges in federal district court in Phoenix, Arizona. GALVEZ pled guilty to Fraud in Connection with Access Devices (18 USC 1029(a)(5))(better known as credit card fraud) and HAIRSTON pled guilty to an Information charging her with Mail Fraud (18 USC 1341). The defendants are husband and wife, and both had been charged with Wire Fraud, Mail Fraud, and Fraud in Relations to Access Devices in a 32 count indictment returned in January 2002.

According to the plea agreement, GALVEZ devised a scheme to defraud credit card issuing companies and banks by using identities of other individuals, many of whom were deceased, to establish credit accounts with credit card issuers and banks, so those companies would open accounts and send him credit cards issued in the names of others. Once an account was established, funds were withdrawn and purchases made using the credit card accounts. GALVEZ admitted making purchases of credit reports, placing on-line wagers or gambling, among other things. GALVEZ, using a credit card issued in the name

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of Lee Hay, made transactions totaling nearly \$3,360 on that card, with no intention of paying for the purchases.

According HAIRSTON's plea agreement, part of the scheme called for withdrawing funds transferred from various accounts bank accounts. She assisted by cashing checks made payable to her by GALVEZ. During a period of roughly 45 days from November 13, 2001, through December 26, 2001, she cashed nine such checks totaling more than \$25,000.00, knowing that she had done nothing to earn such payments. Total losses from the scheme, according to the plea documents, may run as high as \$400,000.

A conviction for Fraud in Relation to Access Devices carries a maximum penalty of 15 years, a \$250,000 fine or both. A conviction for Mail Fraud carries a maximum penalty of 5 years, a \$250,000 fine or both. Sentencing for both defendants is set before Judge Susan R. Bolton on June 2, 2003.

The investigation in this case was conducted by the United States Secret Service, the United States Postal Inspection Service, the Office of Inspector General-Social Security Administration, and the Maricopa County Sheriff's Office.

The prosecution is being handled by Daniel R. Drake, Assistant United States Attorney, District of Arizona, Phoenix, Arizona.

CASE NUMBER: CR-02-007-PHX-SRB
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